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Ag 84 Pro #349



COTTON

MARKETING QUOTAS

1958

#349

The Secretary of Agriculture has proclaimed marketing quotas for the 1958 crop of upland cotton, in accordance with legislative provisions. The quotas will not continue in effect, however, unless at least two-thirds of the growers voting in a referendum approve their use.

December 10, 1957, is the date set for the referendum.

All growers who engaged in the production of upland cotton in 1957 are eligible to vote on the quotas. Growers may vote "yes" or "no"—as they wish. The outcome of the vote, however, will determine the kind of program in effect for the 1958 cotton crop.

The choice growers will make in the referendum is between marketing controls for the 1958 upland cotton crop and a relatively higher level of price support, or no marketing controls on the crop and support at 50 percent of parity, as directed by law.

To be eligible for the available cotton price support, at whichever level is in effect, a grower must comply with his farm's cotton acreage allotment. Whether or not growers approve quotas, therefore, cotton allotments will be in effect for the 1958 cotton crop.



QUOTAS - ALLOTMENTS

Prospective supplies of upland cotton for 1957-58 are estimated at 23,162,000 running bales—5,612,000 bales above the current figure at which the Secretary of Agriculture must proclaim a national marketing quota for the next crop.

WHAT THE VOTE MEANS

If at least two-thirds of the growers who vote in the December 10 referendum approve quotas for the 1958 upland cotton crop:

- Price supports will be available to "eligible" growers (who comply with their 1958 cotton acreage allotments) at the full level of effective supports. (Current legislation provides that this support shall be between 75 and 90 percent of parity, the minimum level within this range depending upon the supply situation at the time the determination is made.)
- A farmer who exceeds his acreage allotment will be subject to a quota penalty on his "excess" cotton; the penalty will be 50 percent of the cotton parity price as of June 15, 1958. (Until this penalty is paid, the farm's entire crop of upland cotton will be subject to a lien in favor of the United States.)

If more than one-third of the growers who vote in the referendum disapprove the quotas:

- Price supports to eligible growers (who comply with their allotments) will be available at 50 percent of parity, as directed by law.
- Marketing quotas and penalties will not be in effect for the 1958 upland cotton crop.

As directed by legislation, the 1958 national marketing quota is set at 11,920,290 bales (500 pounds gross weight) and the national acreage allotment is 17,391,304 acres. Other legislation, however, provides for minimum State and farm allotments, and this results in increasing the total acreage available for allotment in 1958 to 17,554,528 acres.

If there were no legal "minimums" for upland cotton quotas and allotments, the amount of the quota for 1958 would be only 7,918,000 bales; the national acreage allotment in such a case would be 11,552,000 acres.

The national acreage allotment for 1958 is divided among States and counties on the basis of the acreage planted to cotton during the 5-year base period 1952-56, with certain adjustments as provided by law.

QUOTAS AND THE FARM

Under a marketing quota program, a farmer may market free of penalty all the

upland cotton produced on his farm in 1958 if he does not produce more acres of cotton than his farm allotment. Within a time limit, the planted acreage on a farm may be adjusted to the farm allotment.

A farmer who has exceeded his farm's upland cotton acreage allotment and who has not adjusted the acreage within the permitted time must pay a penalty on all his "excess" cotton. Generally, the "excess" cotton is the acreage in excess of his allotment multiplied by the farm's normal yield. If the producer establishes by a specified date that the actual yield is less than the normal yield, the County Agricultural Stabilization and Conservation (ASC) Committee will reduce the amount of cotton subject to the penalty.

ALLOTMENTS AND THE FARM

All farms on which cotton was planted (or is considered to have been planted) in any of the years 1955, 1956, or 1957, will be eligible for cotton allotments in 1958 as "old cotton farms."

If cotton was not planted (or considered as planted) on a farm in any of the 3 years mentioned, the farm will be considered for an allotment as a "new cotton farm" provided the operator and the owner meet certain eligibility requirements and an application for such consideration is filed with the County ASC Office not later than the established closing date.

If a farmer plants fewer acres to cotton than his farm allotment (applicable only to old cotton farms), the entire 1958 cotton allotment for the farm will generally be considered as having been planted to cotton in the establishment of future cotton allotments.

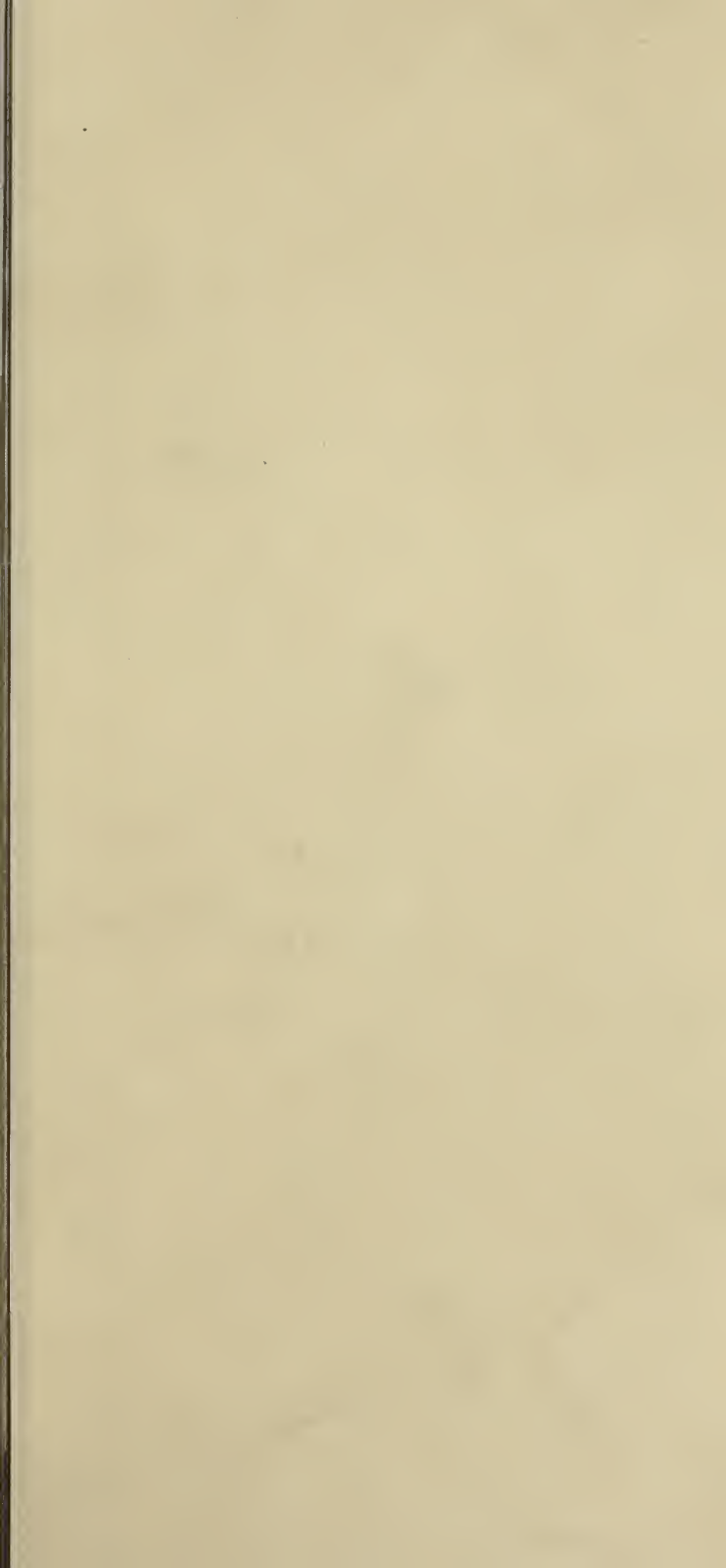
A cotton allotment may be released for reapportionment to other farms or may be placed in the Soil Bank cotton Acreage Reserve. Within certain limitations, such released allotment will be considered as having been planted to cotton in determining future cotton allotments for the farm from which released.

FARMER'S RIGHT OF APPEAL

A producer who is dissatisfied with his farm acreage allotment may ask for a review of his case by a review committee appointed by the Secretary of Agriculture. His request must be filed in writing with the county office manager within 15 days after the County ASC Committee mails the farm allotment notice. If the farmer is not satisfied with the review committee's decision, he may — within 15 days — institute proceedings for a review of the case by a court.

A separate referendum will be held on December 10, 1957, on marketing quotas for extra long staple cotton (such as American-Egyptian, Sea Island, and Sealand) in counties where this kind of cotton is produced.

For further information, see your County ASC Committee.



EXTRA LONG STAPLE COTTON MARKETING QUOTAS -- 1958

The Secretary of Agriculture has proclaimed marketing quotas for the 1958 crop of extra long staple cotton, in accordance with legislative provisions. The quotas will not continue in effect, however, unless at least two-thirds of the growers voting in a referendum approve their use.

December 10, 1957, is the date set for the referendum.

All growers who engaged in the production of extra long staple cotton in 1957 are eligible to vote on the quotas.

WHAT THE VOTE MEANS

If at least two-thirds of the growers who vote in the December 10 referendum approve quotas for the 1958 extra long staple cotton crop:

- Price supports will be available to "eligible" growers (who comply with their 1958 extra long staple cotton acreage allotments) at the full level of effective supports. Price support for the 1957 crop is at an average of 59.70 cents per pound, which is 75 percent of parity.
- A farmer who exceeds his acreage allotment will be subject to a quota penalty on his "excess" extra long staple cotton; the penalty will be the higher of (a) 50 percent of the parity price for extra long staple cotton as of June 15, 1958, or (b) 50 percent of the support price for extra long staple cotton. (The penalty rate for 1957 extra long staple cotton is 39.8 cents per pound.) Until this penalty is paid, the farm's entire crop of extra long staple cotton will be subject to a lien in favor of the United States.

If more than one-third of the growers who vote in the referendum disapprove the quotas:

- Price supports to eligible growers (who comply with their allotments) will be available at 50 percent of parity, as directed by law.
- Marketing quotas and penalties will not be in effect for the 1958 extra long staple cotton crop.

To be eligible for the available extra long staple cotton price support, at whichever level is in effect, a grower must comply with his farm's extra long staple cotton acreage allotment. Whether or not growers approve quotas, therefore, allotments will be in effect for the 1958 extra long staple cotton crop.

UNITED STATES DEPARTMENT OF AGRICULTURE

Quotas - Allotments. -- Prospective supplies of extra long staple cotton for 1957-58 are estimated at 210,300 running bales -- 21,800 bales more than the normal supply of 188,500.

As provided by legislation, the 1958 national marketing quota for extra long staple cotton is 79,022 bales (500 pounds gross weight) and the national acreage allotment is 83,286 acres.

The national extra long staple cotton acreage allotment for 1958 is divided among States and counties on the basis of the acreage planted to extra long staple cotton during the 5-year base period 1952-56, with certain adjustments as provided by law.

Quotas and the Farm. -- Under a marketing quota program, a farmer may market free of penalty all the extra long staple cotton produced on his farm in 1958 if he does not produce more acres of extra long staple cotton than his farm allotment for the crop. Within a time limit, the planted acreage on a farm may be adjusted to the allotment.

A farmer who has exceeded his farm's extra long staple cotton acreage allotment and who has not adjusted the acreage within the permitted time must pay a penalty on all his "excess" cotton. Generally, the "excess" cotton is the acreage in excess of his allotment multiplied by the farm's normal yield. If the producer establishes by a specified date that the actual yield is less than the normal yield, the County Agricultural Stabilization and Conservation (ASC) Committee will reduce the amount of extra long staple cotton subject to the penalty.

Allotments and the Farm. -- All farms on which extra long staple cotton was planted (or is considered to have been planted) in any of the years 1955, 1956, or 1957, will be eligible for cotton allotments in 1958 as "old extra long staple cotton farms."

If extra long staple cotton was not planted (or considered as planted) on a farm in any of the 3 years mentioned, the farm will be considered for an allotment as a "new extra long staple cotton farm" provided the operator and the owner meet certain eligibility requirements and an application for such consideration is filed with the County ASC Office not later than the established closing date.

If a farmer plants fewer acres to extra long staple cotton than his farm allotment (applicable only to old cotton farms), the entire 1958 extra long staple cotton allotment for the farm will generally be considered as having been planted to extra long staple cotton in the establishment of future allotments.

An extra long staple cotton allotment may be released for reapportionment to other farms. Within certain limitations, such released allotment will be considered as having been planted to extra long staple cotton in determining future allotments for the farm from which released.

Farmer's Right of Appeal. -- A producer who is dissatisfied with his farm acreage allotment may ask for a review of his case by a review committee appointed by the Secretary of Agriculture. His request must be filed in writing with the county office manager within 15 days after the ASC County Committee mails the farm allotment notice. For further information, see your ASC County Committee.

